- 1. On 5 May 1951, following the run on the Panama Saving Bank, the Panama National Police were ordered to arrest all members of the National Directorice of the Partido del Pueblo (PDP). The Panama National Police did arrest Muga Victor, Cristobal Segundo, Modesto Porto, Rogelio Sinan, Napoleon Nativi, Adolfo Benedetti, and Romulo Escobar, but failed to arrest Ruben Souza, Cesar De Leon, and Crescencio Davis. Davis was available for arrest, but Souza and De Leon avoided police efforts to find them and remained hidden from most PDP members until the political crisis ended on 10 May 1951.
- 2. As a result of the arrest of most of the members of the PDP National Directorate the Party was lacking in leadership during the crisis and was never able actually to participate in the activities against President Armulfo Arias. A few of the members, including Eiguel Purcell, Luis Mendoza, Virgilio Lara, Lemin Brower, Julian Jaramillo, Juan Nieto, and Baldomero Gonzalez, did attempt a meeting 7 May with Crescencio Davis; however, the meeting broke up just before the arrival of the police. Another meeting took place in Room 7, #68 26th Street ..est, Chorillo. The members did succeed in removing party documents and propaganda so that they did not fall into the hands of the police.
- 3. By the evening of 9 May the PDP still had made no definite plans for action in the political crisis and had taken no advantage of the situation. Three reasons given are: party leadership was lacking and individual party members were afraid to do anything but hide; while opposing Arnulfo Arias, the PDP did not trust certain opposition groups, including the National Police; many of the members felt that the PDP did not have to do anything, since Arias would undoubtedly be replaced by someone of the same class, and therefore the party allowed him to be overthrown by his own class level. It was not until after the National Assembly and Supreme Court supported the impeachment of Arias that the PDP took any action at all. At 2 p.m. on 10 May party members began distributing hundreds of flysheets calling for the overthrow of Arranlfo Arias. By this time actual shooting had broken out in the city.

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Next Review Date: 2008

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## CENTRAL INTELLIGENCE AGENCY

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- 1. On 11 May, when the actual crisis was over, PDP meeting places were opened; PDP members, including those released from jail, gathered; the party began the distribution of more leaflets, joining themselves to the successful opposition and criticizing certain members of the new Cabinet. These include Miguel Angel Ordonez, Minister of Government and Justice; Ignacio Molino Jrop Minister of Foreign Relations; Juan de Arco Galindo, Minister of Labor and Public Health. The PDP opposes Molino especially, since, he, as Foreign Minister in the government of Domingo Diaz, was partially responsible for the deportation of Max Brodsky and also signed the aviation agreement with the United States.
- 5. While the FDP was not itself active, the Federacion Sindical de Trabajadores de la Republica de Panama (FSTRP), led by certain members and ex-members of the FDP, signalled the strike of all chauffeurs, tailors, and general tradesmen, which resulted in the general strike throughout the country. The FSTRP assisted in the general strike by sending in messages and appeals which were broadcast over Radio Continental throughout the period of the crisis. The FSTRP also successfully distributed a great deal of propaganda during the crisis.
- 6. Another source reported that from the moment that the PDP leaders were arrested on 5 May, the PDP was helpless as an organization. It had no plan to work clandestinely; it had no adequate groups formed to take advantage of the political situation which would have been so favorable to Communism. Ruben Souza, the only capable leader not in jail, was unavailable for planning or advice. On Tuesday, 8 May, a meeting was planned in Room 8, #10 20th Street, Panama, a location which was raided by the police. The party suspects that among those members who were advised of this meeting there was one who was working for the Secret Police. This source states that the PDP disappeared completely from the scene, that it distinguished itself during the crisis by its complete and perfect absence.
- 7. According to source, the new Minister of Education, Ricardo Bermudez, is an intimate friend of Hugo Victor and Cesar de Leon. The PDF is also favorably inclined toward Norberto Navarro, new Hinister of Public Works, and hopes that these Cabinet members can retain their posts.